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February 7, 2008

***Electronic Ex Parte Filing***

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: Petitioners' Alternative Rulemaking Proposal  
CC Docket No. 96-128

Dear Ms. Dortch:

Petitioners submit this additional support for their Alternative Rulemaking Proposal in the above-captioned docket ("Proposal"),<sup>1</sup> further confirming the comparable rates analysis presented in the Proposal and the supporting Declaration of Douglas A. Dawson ("Dawson Alternative Declaration").<sup>2</sup> Counsel has just learned that the Oklahoma Department of Corrections recently entered into a new Inmate Telephone System Contract with Global Tel\*Link Corporation ("GTL"). The contract provides for inmate collect calling service for a flat rate of \$3.60 for a fifteen minute call,<sup>3</sup> or \$0.24

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<sup>1</sup> Petitioners' Alternative Rulemaking Proposal, *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Dkt. No. 96-128 (Mar. 1, 2007) ("Proposal"); FCC Public Notice, *Comment Sought on Alternative Rulemaking Proposal Regarding Issues Related to Inmate Calling Services*, 22 FCC Rcd 4229 (WCB 2007).

<sup>2</sup> See Declaration of Douglas A. Dawson in Support of Petitioners' Alternative Proposal (Feb. 16, 2007) ("Dawson Alternative Declaration"), attached as App. B to Proposal.

<sup>3</sup> Inmate Telephone System Contract Between The Oklahoma Department of Corrections and Global Tel\*Link at 15 (Dec. 18, 2007) (attached hereto).

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per minute, which is less than the \$0.25 per minute benchmark proposed by Petitioners for interstate inmate collect calling. Because GTL must pay a commission of 50 percent of the net profit generated by the contract, the actual revenue net of commission payments is somewhat less than \$0.24 per minute.<sup>4</sup>

GTL is able to provide interstate inmate collect calling for less than \$0.24 per minute because the cost of providing such service to a state prison system is low enough to make that rate profitable. The GTL collect calling rate constitutes further evidence that the proposed benchmark rates more than cover the costs of interstate inmate calling services. No party has explained how GTL and other inmate calling service providers are able to provide interstate inmate calling services at rates that, net of commission payments, are below the requested benchmarks to ten disparate state systems but are unable to provide such services profitably at comparable rates to all state and other large systems.

Not only is the record support for Petitioners' requested relief stronger now than when the Proposal was filed, but in most states, interstate inmate rates also have remained unreasonably excessive, as illustrated by the attached MCI bills for calls from various California prisons to an Oregon number in early 2007. A comparison of calls of different lengths from the same prison shows that the "Day Station - Operator Assisted" rate was \$0.98 per minute plus a per-call charge of \$4.28. A charge of \$18.98 for a 15-minute call, which is paid by the called party, not the prisoner, is vastly in excess of any conceivable cost. Petitioners accordingly request that their Proposal be granted expeditiously.

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<sup>4</sup> See *id.* at 16.

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In accordance with Section 1.1206(b)(1) of the Commission's rules, a copy of this presentation is submitted for inclusion in the record of the above-captioned docket. Please do not hesitate to contact the undersigned with any questions or concerns about this letter or the issues discussed.

Very truly yours,

/s/ Frank W. Krogh  
Frank W. Krogh

Counsel to Petitioners

Attachments

cc: Albert Lewis  
Pamela Arluk  
Douglas Galbi  
Lynne Engledow

**Inmate Telephone System Contract**

**Between**

**The Oklahoma Department of Corrections**

**And**

**Global Tel\*Link**

#### **4.10 Call Management**

GTL shall provide the collect call services through the use of an Automated Operator. At no time shall an inmate be connected to a "live" operator.

GTL shall assume responsibility for billing called parties receiving collect calls from the ITS and for the collecting of payments for these calls. This will be either direct billing or through the local exchange company.

GTL shall provide a single toll free number allowing call recipients to contact GTL for assistance in billing matters. This number must be clearly shown on the called party's bill.

The customer service function may not be subcontracted.

GTL shall endeavor to handle billing disputes in an equitable manner. Disputes that cannot be resolved to the satisfaction of the call recipient must be brought to the attention of an Arbitrator to be designated by DOC. The Arbitrator will determine how much, if any, of the disputed charges may be billed by GTL. Any excess must be forgiven by GTL.

GTL will not be required to remit Commissions that would otherwise be payable to DOC for charges forgiven by the Arbitrator.

GTL shall provide all local, intraLATA, interLATA and interstate collect call services at all DOC institutions where the ITS is installed. GTL shall be responsible for installing and maintaining all telephone circuits necessary to provide the required collect call services.

#### **4.11 Call Costs or Call Rates**

There shall be a flat rate for all calls within the United States. This rate shall be \$3.60 for a fifteen minute call.

The ITS will not handle international phone calls.

GTL shall collect all revenue from the called party for collect calls placed by inmates.

The ITS must inform the call recipient of the rate. The ITS may announce the rate automatically or provide a prompt giving the call recipient the option to hear the rate.

Timing for any call shall not begin before positive acceptance of the call.

#### **4.12 Remittance of Commissions**

GTL shall pay a commission to DOC that shall be equal to 50% of the net profit generated by the system during each contract period. Annual commission payments shall be calculated each year based upon historical call volume. These payments shall be made to DOC in equal monthly installments. The initial commission for year one shall be \$940,000. At the end of each contract period GTL shall reconcile the actual commissions based on actual call volume. GTL and DOC shall determine any necessary adjustments required and the method of adjusting the annual commission payments at the end of each contract period. A reconciliation report shall be furnished to DOC within 60 days after the end of the contract period.

GTL must remit the commission monthly payments to the DOC no later than 45 days after the close of the billing month. For example, a commission monthly payment for calls made during March will be forwarded to the DOC no later than May 15<sup>th</sup>.

All commission payments and accompanying reports must be sent to the following address:

Attn: Parent Canteen Board Secretary  
Oklahoma Department of Corrections  
3400 Martin Luther King  
Oklahoma City, OK 73111

#### **4.13 Maintenance**

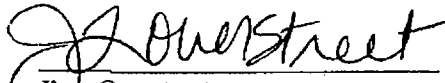
##### **4.13.1 Maintenance Standards**

GTL is responsible for maintenance and replacement of the ITS in its entirety or its individual components regardless of cause including, but not limited to, normal wear/use, inmate abuse, natural disaster, or inmate unrest. This system or component replacement, as necessary, will be performed at no cost to the DOC.

Equipment maintenance by GTL will be completed within eight (8) business hours after

**APPROVED:**

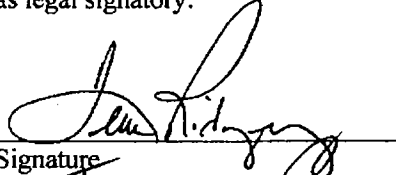
Representing Oklahoma Department  
of Corrections, as legal signatory:



J'me Overstreet  
Associate Director  
Administrative Services

12-18-07  
Date

Representing Global Tel\*Link  
as legal signatory:

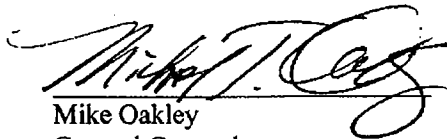


Signature

TERESA RIDGEWAY  
Printed Name

Senior VP  
Title

Dec 14, 2007  
Date



Mike Oakley  
General Counsel

12-18-07  
Date



For questions, call 1 800 244-1111

MCI Charges

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www.mci.com

## Summary of Charges

## ▼ Current Charges

MCI Long Distance	14.02
Total Long Distance	14.02

Total MCI Amount	\$14.02
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## MCI Long Distance

Date	Time	Place	Number	Type	Minutes	Amount
1. Dec 10	3:42 P	To [REDACTED]	503 [REDACTED]			
	Collect	Fr CORCORAN	OR CA 559 992 1520	H	10.0	14.02

Type of Call Codes:

H - Night Station - Operator Assisted

MCI Long Distance	10.0	\$14.02
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This portion of your bill is provided as a service to MCI.  
There is no connection between Qwest and MCI.

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Feb 2007

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For questions, call 1 800 244-1111

www.mci.com

## MCI Charges

## Summary of Charges

## ▼ Current Charges

MCI Long Distance  
Total Long Distance58.23  
58.23

Total MCI Amount

\$58.23

## MCI Long Distance

Date	Time	Place	Number	Type	Minutes	Amount
1. Dec 13	7:29 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr COALINGA CA	559 934 1027	G	15.0	18.87
2. Jan 03	7:42 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr COALINGA CA	559 934 1027	G	4.0	8.24
3. Jan 10	11:43 A	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr CORCORAN CA	559 992 1520	F	15.0	18.98
4. Jan 14	7:36 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr COALINGA CA	559 934 1027	G	8.0	12.14

## Type of Call Codes:

F - Day Station - Operator Assisted

G - Evening Station - Operator Assisted

MCI Long Distance

42.0'

\$58.23

This portion of your bill is provided as a service to MCI.  
There is no connection between Qwest and MCI.

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Mar 21 07 05:08p

2



For questions, call 1 800 244-1111

MCI Charges

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www.mci.com

## Summary of Charges

## ▼ Current Charges

MCI Long Distance	74.94
Total Long Distance	74.94

Total MCI Amount	\$74.94
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## MCI Long Distance

Date	Time	Place	Number	Type	Minutes	Amount
1. Jan 26	8:58 A	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr SNLSOBISPO CA	805 595 1060	F	15.0	18.98
2. Feb 05	7:30 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr COALINGA CA	559 934 1027	G	15.0	18.98
3. Feb 08	2:02 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr CORCORAN CA	559 992 1520	F	15.0	18.98
4. Feb 08	2:17 P	To [REDACTED] OR	503 [REDACTED]			
	Collect	Fr CORCORAN CA	559 992 1520	F	14.0	18.00

## Type of Call Codes:

F - Day Station - Operator Assisted

G - Evening Station - Operator Assisted

MCI Long Distance	59.0	\$74.94
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This portion of your bill is provided as a service to MCI.  
There is no connection between Qwest and MCI.

MCI  
800-231-0193

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